

Silvery Moon Creamery at Smiling Hill Farm

Jennifer Betancourt, Cheesemaker & Co-Owner of Silvery Moon Creamery

Warren Knight, Co-Owner of Smiling Hill Farm and Silvery Moon Creamery

781 County Road

Westbrook, ME 04092

Farm Description:

Smiling Hill Farm, Inc. (SHF) has operated continuously under the Knight family's ownership since the 1700's. Until the mid 1990's Smiling Hill Farm sold fluid milk to Oakhurst Dairy in Portland, Maine. To make the farm more economically viable, in 1996 SHF became a producer/vendor and installed a small USDA Grade A milk processing facility to bottle and sell milk directly to the general public. Within six months the value-added on-farm processing allowed the business to reap the margin between the wholesale uniform milk price for raw milk and the retail price paid by the customer.

According to Warren Knight, several unanticipated challenges came along with the benefit of direct sales. It became critically important to balance production with consumption. Direct market sales limited the shelf life of pasteurized milk to less than 14 days and the sale of milk fluctuated greatly depending upon tourism, season, weather and the overall economy. Unlike a large processor which has many venues for disposal of milk assets, small dairies do not have the option to ship an overage to a milk powder plant or cheese plant hundreds of miles away. For a while Warren sold excess raw milk to a broker at the Uniform Milk Price; a price that was on average below the farm's actual cost of production.

Jennifer Betancourt, a graduate of Cornell University's Animal Science program, was developing a recipe for a camembert-style cheese in her home kitchen in Portland. Jennifer was using with Smiling Hill Farm's milk. When she was pleased with the results she approached the farm about making cheese. She began to make cheese at the farm when the processing line was not in use, working as late as 1 a.m. and starting as early as 4 a.m. In the first 6 months just under 5,000 pounds of fresh and aged pasteurized cheese was produced. Jennifer sold \$13,000 in cheese with and built an inventory of approximately 1,300 pounds of aged cheese. Both Jennifer and Warren saw a new opportunity and applied to Farms for the Future Program in 2003 developed a 50/50 general partnership agreement and business plan for Silvery Moon Creamery.

Farm Mission and Goals:

Silvery Moon Creamery's mission is to produce unique, quality cow's milk cheeses with milk from Smiling Hill Farm. The Creamery will provide Smiling Hill Farm with a higher source of revenue for a portion of their milk. The cheese company and product line will increase Smiling Hill Farm's market reach; bringing a more specialized dairy product to consumers in Maine and the Northeast.

Phase One: Exploring the Goals

When Jennifer had initially approached Smiling Hill Farm she had a cheese business plan. While the original plan was inspiring, it lacked the numbers and hard facts to really support her dream. Phase One enabled both partners to see if artisan cheesemaking could really be made a viable business at Smiling Hill Farm. A cheese consultant helped develop the cheese facility layout, and provided assistance in terms of pricing and product mixes. Two business consultants reviewed her proposed financial analysis and asked important and challenging questions. While Jennifer ended up changing her plan and slightly increasing the volume of production in order to increase profitability, she held onto her goal, to keep the product handcrafted and the process of creating it enjoyable.

Phase Two: Implementing Change

Silvery Moon Creamery at Smiling Hill Farm received a \$25,000 Farms for the Future grant, which was matched with farm income and investments and a \$151,500 loan to renovate an existing barn to give the creamery a “real space” with two additional areas to age cheeses at different temperatures and humidities, additional equipment (a large vat, draining tables, sinks, aging racks) and provide some start-up capital to manage the expanded cheese production.

Silvery Moon Creamery also received a \$15,000 Federal-State Market Improvement grant to conduct market research in local wholesale, retail and direct markets. Jennifer worked with consultants to design the Creamery’s label, brochure and packaging design, and commissioned some professional photography. She expanded and updated the website to tell consumers the story of Silvery Moon Creamery and its award winning cheeses. She added a web sales section so that people can order online. She conducted in-store research at half a dozen establishments and test marketed the Creamery’s eleven cheese products at farmers’ markets. She worked to increase the product’s branding and name recognition; offering over 40 “Meet the Cheesemaker” events at specialty food shops, natural food stores, and gourmet wine and cheese shops.

Spending time with potential customers at markets, events and wine tastings is absolutely integral Silvery Moon Creamery’s marketing strategy. Through this research, Jennifer has learned that there is a significant demand for yogurt and fresh products as well as longer aged- and bloomy rind cheeses.

Reaping the Benefits:

Thanks to Smiling Hill Farm, Farms for the Future and FSMIP, Jennifer no longer has to make the cheese in the bottling plant by the light of the silvery moon! The new cheese facility will allow Jennifer and her staff of three to make, age, package and ship the cheese from a single location. It will allow the company to increase production, efficiency and volume to meet their growing market demand. By expanding the product line to include a greater inventory of aged cheeses, the Creamery will add more value to

excess fluid milk. Smiling Hill Farm currently bottles milk for three other small dairy farms. With the cheesemaker and the cheesemaking equipment no longer located in the bottling plant, Smiling Hill Farm can consider processing milk for several other farms.

Smiling Hill Farm is dedicated to educating their customers about the role and benefit of small sustainable agriculture in suburban settings. Silvery Moon Creamery offers cheesemaking workshops and other educational opportunities. Jennifer and Warren have shared their lessons learned with members of the Maine Cheese Guild and dairy farmers involved in the Farms for the Future Program. They have lead over 20 tours of the creamery providing valuable insight to other dairy producers interested in cheesemaking. Smiling Hill Farm and Silvery Moon Creamery have also held an Open Creamery Day as part of the Maine Cheese Guild's Third Annual Maine Cheese Festival. Through Open Creamery Day, Open Farm Day, and various other special events, the farm is able to invite people to visit the farm, see where their food comes, and put a face and a story to all of the quality products the farm produces.